

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy Department - Sanction of **Rs.1,46,41,222/- (Rs.1,32,74,000/- towards arrangers' fee plus service tax @ 10.30% for Rs.13,67,222/-)** to A.P. Power Finance Corporation Limited, Hyderabad towards Arrangers' Fee on A.P. Power Bonds Series 1/2011 - Administrative sanction - Orders - Issued.

ENERGY (POWER.III) DEPARTMENT

G.O.Rt.No.75,

Dated.02-05-2012.
Read the following:-

- 1.G.O.Ms.No.39,Energy (Pr.III) Department,Dt.20-09-2011.
2. From the Managing Director, APPFC Ltd. Letter No. APPFCL / (1/2011, II Tranchee)/D.No.19/2012, Dt.22-02-2012.
3. G.O.Rt.No.1912, Finance (Expr.AHFFCS&E) Department, Dt.23-04-2012.

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ORDER:-

In the G.O.1st read above, Government have accord permission to the Managing Director, APPFCL for Mobilization of funds of Rs.1000 crores during the Financial Year 2011-12 by private placement of A.P.Power Bonds at a issue size of Rs.500 crores with green shoe option to retain over subscription, if any, to the extent of another Rs.500 crores against unutilized the balance amount of Rs.946.70 crores of Government Guarantee already permitted in the G.O.Ms.No.33, Dt.11-08-2010 read with G.O.Ms.No.26, Dt.02-06-2010 and also stand guarantee for repayment of the Principal amount on the due dates of the bonds and the payment of Interest thereon in accordance unconditional and irrevocable Govt. Guarantee with the Budgetary support.

2. The Managing Director, APPFCL has informed that, APPFCL's Board resolved to raise the funds by private placement of APPFC Power Bonds (Series 1/2011, Tranchee II) to the extent of Rs.350 crores with Green Shoe Option to retain over subscription upto another Rs.495 crores in accordance of Govt. Guarantee for Rs.1000 crores. As per the APPFCL Board resolution the issue was opened on 30-12-2011 and closed on 23-01-2012 and Rs.663.70 crore were mobilized by the Arrangers and Rs.80.40 crore were mobilized through direct applications. Total mobilized funds are Rs.744.10 crore and Fee would be paid @0.20% to the Arrangers on the funds mobilized by them. They are not eligible for any Fee in respect of all direct investments. Accordingly the Arrangers' Fee due has been worked out as follows:

Sl. No.	Name of the Arranger	Funds Mobilized (Rs. in Crores)	Arrangers' Fee 0.20%
1	Tipsons Consultancy Services Pvt. Ltd	331.85	66,37,000
2.	Karvy investor Services Ltd.	331.85	66,37,000
	Total Funds mobilized by the Arrangers	663.70	1,32,74,000
3	Funds mobilized through applications	80.40	Nil
	Total	744.10	1,32,74,000

And Managing Director, APPFCL has requested the Government in the letter 2nd read above, to accord sanction for **Rs.1,46,41,222/- (Rs.1,32,74,000/- towards arrangers' fee plus service tax @ 10.30% for Rs.13,67,222/-)** to APPFCL towards arrangers fee on A.P.Power Bonds Series 1/2011.

3. After careful consideration of the matter, Government hereby accord sanction **Rs.1,46,41,222/- (Rs.1,32,74,000/- towards arrangers' fee plus service tax @ 10.30% for Rs.13,67,222/-)** (Rupees one crore forty six lakhs forty one thousand two hundred and twenty two only) to A.P. Power Finance Corporation Limited, Hyderabad towards payment of Arrangers' Fee on A.P.Power Bonds (Series I/2011).

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4. The expenditure sanctioned in para 2 above, shall be debited to the following head of account:-

"2801.Power- 80.General - MH.800.Other Expenditure - SH(04).Assistance to A.P. Power Finance Corporation - 310. Grants-in-Aid-312.Other Grants-in-Aid".

5. The Assistant Secretary to Government, Energy Department shall draw and disburse the amount through a cheque obtained in favour of the Managing Director, A.P. Power Finance Corporation Limited, Hyderabad, with full vouchers and detailed bill.

6. The Managing Director, A.P. Power Finance Corporation Limited, Hyderabad shall submit the utilization certificate for the amount sanctioned in para (2) above.

7. This order issues in terms of Budget Release Orders issued by the Finance (Expr.AHFFCS&E) Department vide G.Os. 3rd read above and concurrence of Finance (Expr.AHFFCS&E) Department vide their U.O.No.10767/73/A2/Exp.AHFFCS&E/2012, Dated 27-04-2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

DINESH KUMAR
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director, A.P. Power Finance Corporation Limited, Hyderabad.
The Director of Treasuries & Accounts, Andhra Pradesh, Hyderabad
for issue of authorization.
The Pay and Accounts Officer, Hyderabad.
The Dy. Pay and Accounts Officer, Secretariat Branch, Hyderabad.
The Energy (OP-Claims) Department.
Copy to:- The Accountant General, A.P., Hyderabad.
The Finance (Expr. AHFFCS&E) Department.
SF/SCs [C.No.842/Pr.III(2)/2012)

//Forwarded:: By Order//

SECTION OFFICER